Library and Archives Canada

Departmental Performance Report

2007–2008

The Honourable James Moore, P.C., M.P.
Minister of Canadian Heritage and Official Languages

Library and Archives Canada | Bibliothèque et Archives Canada

Canada

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SECTION I: OVERVIEW

As Minister of Canadian Heritage and Official Languages, I am pleased to present the Departmental Performance Report of Library and Archives Canada (LAC) for 2007–2008. The report outlines the important achievements of LAC over the last fiscal year and demonstrates how it continues to fulfill its mandate.

Through initiatives that make effective use of digital technologies, LAC is doing far more than just preserving Canada's rich documentary heritage; it is making that heritage more accessible to Canadians. By offering an extensive array of online services, cooperating with such partners as the Canadian Broadcasting Corporation, and developing innovative approaches to presenting its collection, LAC allows Canadians to better understand the diverse stories that comprise Canada's heritage and to explore the histories of their own families and communities.

LAC is also responsible for helping the Government fulfill a number of roles of importance to Canadians. LAC's leadership in creating a new regime of governing how departments and agencies organize and manage their records is beginning to enable improved access to information with reduced costs.

As a Canadian Heritage Portfolio agency, Library and Archives Canada has helped create a more prosperous Canada, in which Canadians of all generations and all backgrounds can take part in the rich social, cultural, and economic life this country has to offer.

The Honourable James Moore
Minister of Canadian Heritage and Official Languages

Message from the Librarian and Archivist of Canada

The year 2007–2008 was a challenging and productive one for Library and Archives Canada (LAC). We continued to meet our ongoing responsibilities by building and managing our collection, and making Canada's unique documentary heritage known to Canadians from coast to coast. We are also proud to finalize the acquisition of some extremely important collections of Canadiana.

But in the context of a departmental performance report, what is particularly important is how we focused our agenda so that we were able to meet our commitments to Canadians as a 21st-century knowledge institution. As this Report demonstrates in detail, we have pursued that agenda across our organization and across the country.

To meet the knowledge expectations of Canadians today, and to make provisions to meet them in the future, means that we have to listen carefully to what Canadians need from us. Increasingly, they want online access to their documentary heritage, although most of it was created in non-digital forms such as print, film or sound recordings. They want us to build a collection that reflects our diversity. And they want to be able to use our collections to understand their family histories, the stories of their communities, and how Canada's past informs both its present and future. They want to engage with history on a personal level, one on one. It is up to us to make that happen, and in 2007–2008, we did, as this Report amply demonstrates.

We are also guided by the needs of the Government of Canada, which requires us to lead the way in government recordkeeping and accountability. We are responsible for ensuring that the right documents are preserved from among the millions the government generates in any given year, and for seeing that Canadians have access to those documents. At the same time, LAC has to adapt to a changing information universe, in which so much information, from websites to electronic publications to email records, is "born digital." So as much as we are busy identifying valuable historic items and holdings that we want to add to the collection, we are also developing new ways to acquire and preserve the heritage we create today, most of it online. By leading a process of change, whether in government recordkeeping or in response to the digital information universe, we are moving in the direction that Canadians and our government expect.

To achieve these results in cost-effective ways, we have realigned our services to generate results in line with the expectations of Canadians. Still, our commitment to sound management of current funding levels can only achieve so much. We have also identified continuing risks to Canada's priceless heritage, such as the current use of a network of storage facilities that require fragile items to be moved regularly from site to site. We continue to work on strategies to increase preservation capacity to address risks to our collection.

While we have much more to accomplish and we have learned many lessons from our work to date, 2007–2008 marked a pivotal year in the evolution of Library and Archives Canada. That assessment is not simply ours; it comes from our counterparts in knowledge institutions around the world. We are proud that they increasingly turn to us for advice and guidance, as we make our unique mark in a world where knowledge and information have become our most vital currency.

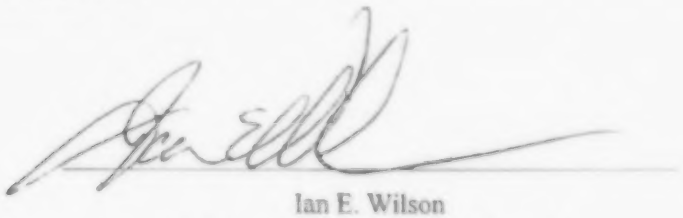
Ian E. Wilson

Management Representation Statement

I submit for tabling in Parliament, the 2007–08 Departmental Performance Report for Library and Archives Canada.

This document has been prepared based on the reporting principles contained in the *Guide for the Preparation of Part III of the 2007–08 Estimates: Reports on Plans and Priorities and Departmental Performance Reports*:

- It adheres to the specific reporting requirements outlined in the Treasury Board Secretariat guidance;
- It is based on the department's approved Strategic Outcome and Program Activity Architecture that were approved by the Treasury Board;
- It presents consistent, comprehensive, balanced and reliable information;
- It provides a basis of accountability for the results achieved with the resources and authorities entrusted to it; and
- It reports finances based on approved numbers from the Estimates and the Public Accounts of Canada.



Ian E. Wilson
Librarian and Archivist of Canada

Summary Information

Mandate and Raison d'être

The preamble of its enabling legislation, the *Library and Archives of Canada Act*, states that the mandate of Library and Archives Canada is:

- to preserve the documentary heritage of Canada for the benefit of present and future generations;
- to serve as a source of enduring knowledge accessible to all, contributing to the cultural, social and economic advancement of Canada as a free and democratic society;
- to facilitate in Canada cooperation among the communities involved in the acquisition, preservation and diffusion of knowledge; and
- to serve as the continuing memory of the Government of Canada and its institutions.

Library and Archives Canada (LAC) achieves this mandate through a variety of respoasibilities, activities and partnerships that reflect Canadian diversity. With more than 20 other departments, agencies and Crown corporations, LAC seeks to contribute fully to the Government of Canada outcome of "a vibrant Canadian culture and heritage." Increasingly, LAC works with archives, libraries and museums that also hold their own parts of Canada's national collection of documentary heritage.

Library and Archives Canada is constantly building its unparalleled collection of documentary heritage of relevance to the story of Canada. The LAC collection includes printed materials, photographs, electronic publications, maps and documentary art such as posters and paintings of people and places. Some acquisitions result from legislated Legal Deposit requirements that require publishers to provide copies of materials published in Canada. Others are acquired from Government of Canada departments and agencies and through the purchase or donation of materials.

Library and Archives Canada catalogues and describes these holdings in accordance with national and international descriptive standards to make it easier for people to find publications and archival records. LAC's leadership role in developing these standards and in supporting national database networks for the Canadian archival and library communities improves access to the LAC collection and other collections across Canada.

LAC continues to implement both its long term infrastructure strategy and increase its preservation capacity to fulfill this important stewardship and access role. By managing the care of its collection, LAC ensures it is preserved and accessible for current and future generations. Its use of risk management approaches enables LAC to make the best use of its preservation capacity as well as its staff expertise in applying preservation treatments and techniques.

The LAC collection is enhanced by its role as the permanent repository of Government of Canada records of business or historic value. LAC ensures that records are available in response

to public requests and to support departmental and government-wide decision making and accountability. LAC also examines broad government recordkeeping issues and advises on improvements in recordkeeping to help meet government priorities.

LAC's mandate within this framework centres on recordkeeping and accessibility. LAC is continuing to work towards establishing recordkeeping as a regulatory regime of accountability and stewardship within government in which records are created, used, kept and preserved as vital business assets and knowledge resources to support effective decision making and achieve results for Canadians. A commitment this framework informs all LAC activities on policies, strategies and methodologies to make government records more accessible to users.

Government recordkeeping is also the focus of work at LAC Regional Service Centres in eight cities, where records in all media are managed on behalf of more than 90 federal government departments and agencies. This extends from taking in records of continuing value from government institutions, including personnel records, storing and protecting them and retrieving those required for reference or research. As part of this activity, LAC segregates archival and historical records that are designated for permanent preservation, and destroy the others when no longer required. Regional Service Centres also hold backup copies of electronic records that are deemed essential, in the event of disaster or emergency, to the operations of government and the protection of rights.

Library and Archives Canada seeks to make its entire collection known in many ways to Canadians and to people interested in Canada. For example, its client services help users understand how the collection and resources are organized and assist them to find items of interest and relevance. LAC safeguards the rights attached to all holdings. This can involve investigating copyright, ensuring privacy protection or providing rights clearances. These include dealing with more than 20,000 requests annually that spur reviews of archival records, of personnel records of former civilian and military government employees, and LAC's operational records.

Library and Archives Canada reaches out to Canadians to wherever they reside through its exhibitions, learning opportunities, public programming and a rich website, including those within the Portrait Gallery initiative. In Canada's National Capital Region, LAC stages this programming at its Ottawa and Gatineau locations and at partner venues. Canadians living elsewhere make contact with Canada's documentary heritage through LAC's ever-expanding website, travelling exhibitions and special events, many involving collaboration with a diverse array of partners.

LAC makes its collection available through resource sharing services that include inter-agency borrowing/lending, document delivery and collaborative reference, as well as its work in partnership with the Canadian library community on the infrastructure that supports resource sharing. Within the federal government, this is matched by its coordination of the library services of federal departments and agencies to achieve excellence and to encourage the effective management of human and financial resources.

The LAC Collection

- 20 million books, periodicals, newspapers, microfilms, literary texts and government publications
- 167,000 linear metres of government and private textual records
- 3 million architectural drawings, maps and plans
- 24 million photographs
- 350,000 hours of film, video and sound recordings
- Canada's portrait collection, which includes 20,000 works of art and thousands of caricatures
- 547,000 musical items
- 365,000 items from the documentary art collection, including watercolours, sketches, miniatures and oil paintings
- More than a billion megabytes of digital content

Source: Various systems at Library and Archives Canada

A Strategic Assessment of 2007–2008

The 2007–2008 year has been a challenging and exciting year for LAC and its staff. LAC has learned many valuable lessons along the way and has taken the time to consider its best options for the future. This *Performance Report* presents LAC's achievements on commitments identified in the *2007–2008 Report on Plans and Priorities*. LAC has assessed the risks and developed approaches to address them. The challenge remains to balance innovation and risk management.

The context for the work and achievements of Library and Archives Canada in 2007–2008 was captured in the *2008–2011 Business Plan* (http://www.collectionscanada.gc.ca/about-us/012-301-e.html) that addresses all program activities under the strategic outcome. On the basis of an assessment of its environment, Government of Canada commitments, risks and opportunities, LAC identified five corporate priorities with implications for all its program activities:

1. LAC will adjust all aspects of its activities to adapt to the needs and benefit from the opportunities of the digital information environment
2. LAC will increase the relevance and accessibility of LAC collection and expertise to Canadians outside the National Capital Region
3. LAC will focus its role in Government of Canada information management on the development of effective recordkeeping
4. LAC will make systematic use of collaborative arrangements and will increasingly deliver on its mandate through or with others
5. LAC will ensure citizen/client research and evaluation results are built into management decision making

LAC anticipated these five corporate priorities while establishing the commitments in the *LAC Report on Plans and Priorities for 2007–2008*. They served as guideposts during the *Strategic Review* exercise in summer 2007, in which LAC met its adjusted savings target through a process that external reviewers saw as both conscientious and rigorous. These corporate priorities also influenced LAC management choices during the year as resources were reallocated from areas of relatively lower priority, such as traditional in-person service levels, to areas of higher priority in line with its corporate priorities, such as increased investment in the digitization of its collection and the online services that Canadians increasingly expect. These helped to strengthen LAC's capacity to demonstrate the value of new investments in both the physical and information technology infrastructure needed to conserve and care for a unique, diverse and often fragile collection at a consistently appropriate level. While this report contains many details about specific achievements, some achievements during 2007–2008 are particularly notable.

LAC is leading the commitment across the Government of Canada to improve government recordkeeping as a keystone of accountability to citizens. An effective recordkeeping regime will ensure that records, whether paper or electronic that have business or archival value, are kept and made easily available. It will also ensure that taxpayer dollars are no longer spent to store records which no longer have value. LAC worked with many partners in government to build on the success of Deputy Minister Roundtables that led to agreement on the need for a new recordkeeping regime. LAC co-led an ADM-level task force that made recommendations on how to move forward, while working groups oversaw more than a dozen assessment projects to address specific elements of the new recordkeeping regime and achieve practical rapid results.

LAC's commitment to adjust all aspects of its activities to adapt to the needs and benefit from the opportunities of the digital information environment had tangible impacts on how LAC approached the acquisition, care and making known of its collection. It placed LAC in a leadership role since Canada's documentary heritage is increasingly in digital format. For example, LAC led the collaborative process through which a draft Canadian Digital Information Strategy was published. When finalized, this strategy will guide efforts by all partners to gather, preserve and make accessible Canada's information assets and accumulated knowledge whether created digitally or in other formats.

LAC matched that strategic commitment with operational actions such as the use of legal deposit, digitization of its collection and Web harvesting to expand the LAC collection of electronic publications by more than 6,000 titles. LAC complemented that growth with new policies and the increased use of tools for Canadians to discover the collection online. An example of the use of digital tools is the new LAC Forum on Canadian Democracy that brings together LAC resources on Canadian governance and political culture with both online and in-person elements. Similarly, the Portrait Gallery of Canada supported an ongoing exhibition program outside the National Capital Region by online access to the collection. Many of these activities were implemented through partnerships with other knowledge institutions and organizations and individuals representing Canada's diversity.

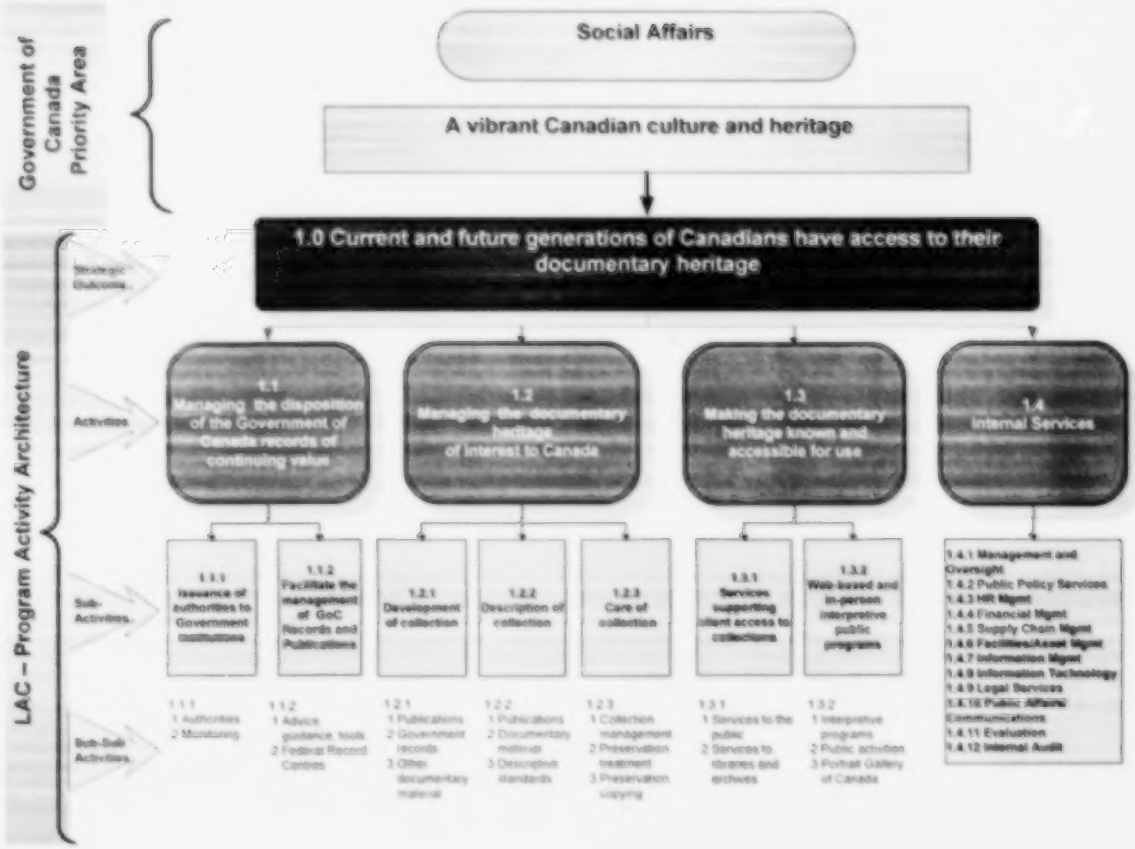
LAC also used new means and partnerships to reach Canadians. LAC's central involvement in the CBC program, *Who Do You Think You Are*, broadcast between October 2007 and February 2008, publicized LAC's genealogical resources and responded to the growing interest in family history among Canadians. The program generated up to a four-fold increase in website traffic for the Canadian Genealogical Centre and public opinion research showed statistically greater awareness and use of LAC services after the program was broadcast. That kind of client service research was complemented by the creation of a new Services Advisory Board to ensure ongoing feedback from user groups as well as public consultation sessions to guide LAC's service offerings.

LAC has implemented a variety of actions to address the Auditor General's recommendations (http://www.oag-bvg.gc.ca/internet/English/aud_ch_oag_2003_6_e_12929.html) related to the challenges LAC faces to preserve its collections, as well as the implementation of a new Management of Government Information in collaboration with the Treasury Board Secretariat, of which recordkeeping falls within its mandate. Especially noteworthy in 2007–2008, LAC has:

- Developed a Performance Measurement Framework related to the condition of the collection align with its Management, Resources and Results Structure (MRRS);
- Elaborated an Integrated Risk Management Framework for LAC and was deemed acceptable by the Treasury Board Secretariat based on its 2007 Management Accountability Framework (MAF) Assessment (Round V);
- Completed the methodology for the Risk-Based Approach to Unmanaged Legacy Business Records;
- Developed an action plan based on the survey results related to the nature and condition of archival heritage under the control of departments and agencies;
- Re-engineered the Government Records Appraisal and Disposition Program in order to protect federal government records of archival value; and
- Assisted the Government of Canada in managing its electronic records by developing the Records Management Functional requirements for electronic records with the Records and Document Information Management (RDIMS) initiative.

These efforts and the work that has taken place since the creation of Library and Archives Canada have established LAC as a world-renowned institution leader. That global attention has been increased by events such as Canada's hosting of the 40th International Conference of the Round Table on Archives (CITRA), which took place in Québec in November 2007 and planning for the 74th World Congress of the International Federation of Library Associations and Institutions (IFLA) being held in Québec in August 2008. The election of the Librarian and Archivist of Canada as President of the International Council of Archives (ICA) further demonstrates the progress LAC is making in becoming a 21st-century knowledge institution for Canadians.

Program Activity Architecture


Government of Canada Priority Area
Social Affairs
A vibrant Canadian culture and heritage
LAC – Program Activity Architecture
Strategic Outcome
1.0 Current and future generations of Canadians have access to their documentary heritage
Activities
1.1 Managing the disposition of the Government of Canada records of continuing value
1.2 Managing the documentary heritage of interest to Canada
1.3 Making the documentary heritage known and accessible for use
1.4 Internal Services
Sub-Activities
1.1.1 Issuance of authorities to Government institutions
1.1.2 Facilitate the management of GoC Records and Publications
1.2.1 Development of collection
1.2.2 Description of collection
1.2.3 Care of collection
1.3.1 Services supporting client access to collections
1.3.2 Web-based and in-person interpretive public programs
1.4.1 Management and Oversight
1.4.2 Public Policy Services
1.4.3 HR Mgmt
1.4.4 Financial Mgmt
1.4.5 Supply Chain Mgmt
1.4.6 Facilities/Asset Mgmt
1.4.7 Information Mgmt
1.4.8 Information Technology
1.4.9 Legal Services
1.4.10 Public Affairs/ Communications
1.4.11 Evaluation
1.4.12 Internal Audit
Sub-Sub-Activities
1.1.1 1 Authorities 2 Monitoring
1.1.2 1 Advice, guidance, tools 2 Federal Record Centres
1.2.1 1 Publications 2 Government records 3 Other documentary material
1.2.2 1 Publications 2 Documentary material 3 Descriptive standards
1.2.3 1 Collection management 2 Preservation treatment 3 Preservation copying
1.3.1 1 Services to the public 2 Services to libraries and archives
1.3.2 1 Interpretive programs 2 Public activities 3 Portrait Gallery of Canada

LAC's program activity architecture includes four activities aligned to its strategic outcome "Current and future generations of Canadians have access to their documentary heritage." Commitments for the first three activities were identified in the *2007–2008 Report on Plans and Priorities*.

Overview of resources

Financial Resources ($ thousands)

Planned Spending	Total Authorities	Actual Spending
$155,759.9	$159,952.4	$122,456.0

Financial variances are detailed on pages 38 and 39.

Human Resources (FTEs)

Planned	Actual	Difference
1,134	1,119	15

Status on Performance 2007–2008

The following tables provide a "report card" of progress of each program activity for 2007–2008, and shows the financial resources planned and spent.

Most of activities where expected results are partially met are related to long-term or ongoing projects or initiatives. Shorter term results and outputs have been achieved in the meantime.

Strategic Outcome: Current and future generations of Canadians have access to their documentary heritage		
Program Activity 1.1: Managing the disposition of the Government of Canada records of continuing value		
Planned Spending: $16,078.1 ($ thousands)	**Actual Spending: $13,588.0 ($ thousands)**	
Corporate Priorities: • LAC will increase the relevance and accessibility of LAC collection and expertise to Canadians outside the National Capital Region (Corporate Priority #2) • LAC will focus its role in Government of Canada information management on the development of effective recordkeeping (Corporate Priority #3)		
Commitment/Deliverables	**Expected Results**	**Performance Status**
1. Optimize the role of government record centres to support preservation and access	Develop and implement an Accessibility Strategy that will make a particular emphasis of improving accessibility to federal government records that are held outside of Canada's Capital Region.	Partially met

2. Lead the development of an action plan arising from the ADM Roundtables and participate in its implementation	1. Seek deputy minister level engagement on recordkeeping issues and improve departmental stewardship of records 2. Develop a directive on recordkeeping in government, a regulatory regime for recordkeeping, and proposed solutions for specific recordkeeping issues with an overall action plan	Successfully met
3. Develop a methodology to enable departments to identify records of business value	1. Make progress on an Accessibility Agenda, driven by a collaborative approach building on partnerships within LAC and across the Government of Canada and drawing on the implementation of recommendations that were made in 2006–2007 2. Develop a methodology to enable departments to identify records of business value 3. Develop and consult, both within the Government of Canada and beyond it, on draft functional specifications for digital record keeping	Partially met
4. Begin the implementation of a new storage model for legacy records of the Government of Canada	Explore solutions in order to prepare a LAC action plan to address paper and electronic storage capacity in the Government of Canada for implementation in the following years	Successfully met

Strategic Outcome: Current and future generations of Canadians have access to their documentary heritage		
Program Activity 1.2: Managing the documentary heritage of interest to Canada		
Planned Spending: $96,632.8 ($ thousands)	**Actual Spending: $68,910.0 ($ thousands)**	
Corporate Priority #1: • LAC will adjust all aspects of its activities to adapt to the needs and benefit from the opportunities of the digital information environment		
Commitment/Deliverables	**Expected Results**	**Performance Status**
1. Define a Canadian Digital Information Strategy	Lead the development of a collaborative, decentralized Canadian digital information strategy	Successfully met

2. Begin development of Trusted Digital Repository services and network	1. Build a solid policy and technical infrastructure for effective management of submission information from content creators 2. Address the management of metadata related to the technical, descriptive and rights attributes of the content 3. Ensure that people will be able to find digital resources, through consistent naming, storage and locating practices as well as preservation tactics that will enable long-term access to obsolete file formats	Partially met
3. Develop the "Virtual Loading Dock"	Achieve automated management of submission information as well as other features such as harvesting of digital information, the use of Web forms and effective file transfer approaches	Partially met
4. Set up several projects to enable users to add information to LAC's catalogues	Launch projects that will test ways of creating opportunities for users to add information to LAC's catalogues, while maintaining the standardization needed by LAC partners	Partially met

Strategic Outcome: Current and future generations of Canadians have access to their documentary heritage

Program Activity 1.3: Making the documentary heritage known and accessible for use

Planned Spending: $43,049.0 ($ thousands)	**Actual Spending: $39,957.1 ($ thousands)**

Corporate Priorities:

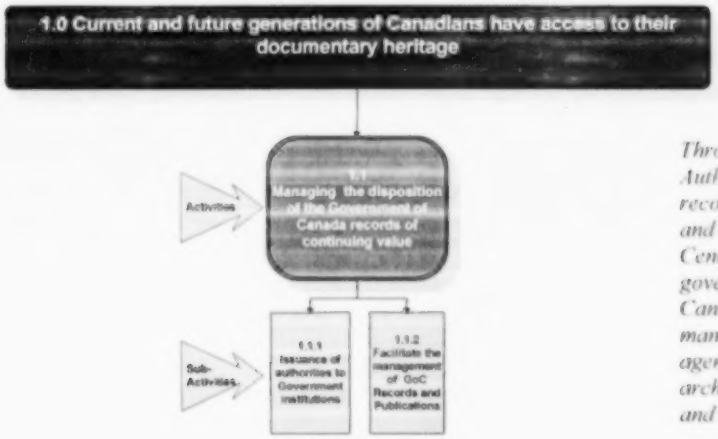
- LAC will increase the relevance and accessibility of LAC collection and expertise to Canadians outside the National Capital Region (Corporate Priority #2)
- LAC will make systematic use of collaborative arrangements and will increasingly deliver on its mandate through or with others (Corporate Priority #4)
- LAC will ensure citizen/client research and evaluation results are built into management decision making (Corporate Priority #5)

Commitment/Deliverables	Expected Results	Performance Status
1. Integrate virtual and in-person planning and delivery of making known activities	Plan for the development of programming that has both virtual and in-person elements by increasing the integration of digital approaches into its strategies, including for public programming	Partially met
2. Work with networks to enhance delivery of the Strategy for Public Programming and the Genealogy Strategy, and the Portrait Gallery Program's travelling exhibitions	Move forward with a wide-range of initiatives that will build its collaboration with partners to connect better with Canadians through its Strategy for Public Programming and its Genealogy Strategy	Successfully met

3. Develop and implement an institutional plan to follow up on multicultural consultations	Develop an institutional framework for increasing the multicultural relevance of LAC's collection	Partially met
4. Develop a partnership policy and framework	1. Develop a partnership policy and framework to guide its actions 2. Prepare model agreements, procedures, guidelines and other tools necessary for consistent, effective and appropriate action	Partially met
5. Initiate pilot projects to work in partnership on acquisition, preservation, access and/or making known projects, including creators, memory institutions or user groups as appropriate	1. Identify some of those partnership possibilities and investigate possible partners that will contribute to and further LAC's overall strategic objectives while increasing access to and visibility of the collection 2. Announce a new partnership approach, which will include inviting proposals from traditional and non-traditional partners, leading to the launch of pre-pilot projects	Partially met
6. Continue implementation of the National Archival Development Program (NADP)	Work with Canada Council of Archives to implement performance measures that should provide evidence that will demonstrate the degree of effectiveness of NADP in preserving and making accessible Canada's archival heritage	Successfully met
7. Test or pilot a mechanism to conduct client research	1. Establishing feedback mechanisms for its Web-based programs as well as its public programming more generally 2. Develop other client research tools that LAC will begin to test	Successfully met

SECTION II: ANALYSIS OF PROGRAM ACTIVITIES BY STRATEGIC OUTCOME

Program Activity 1.1: Managing the disposition of the Government of Canada records of continuing value


1.0 Current and future generations of Canadians have access to their documentary heritage
Activities
1.1
Managing the disposition of the Government of Canada records of continuing value
Sub-Activities
1.1.1
Issuance of authorities to Government institutions
1.1.2
Facilitate the management of GoC Records and Publications

Through the issuance of Records Disposition Authorities, the development of recordkeeping advice, tools and guidance, and the provision of Regional Service Centres services for departments of the government of Canada, Library and Archives Canada (LAC) enables and facilitates the management of information within federal agencies and ensures that government's archival and historical records are identified and appropriately preserved.

Financial Resources ($ thousands)

2007–2008		
Planned Spending	**Authorities**	**Actual Spending**
$16,078.1	$15,299.2	$13,588.0

Financial variances are detailed on pages 38 and 39.

Human Resources (FTEs)

2007–2008		
Planned	**Actual**	**Difference**
200	167	33

Overview

The Government of Canada creates and manages millions of records annually. These include correspondence and operational files; business documents such as contracts, deeds, leases, surveys and service transactions; and photographs, architectural drawings, plans, and recordings. Under this program activity, LAC oversees the processes through which departments and agencies decide what to keep. LAC also receives and manages records that are no longer likely to be needed for immediate departmental business purposes but that may be required in the future.

LAC created a new long-term recordkeeping regime that will ensure that records of business or archival value are kept and made available for ongoing business and accountability purposes, while those without such value are not kept and the related costs of storage are eliminated. During 2007–2008, LAC co-led an ADM-level task force involving 18 departments and agencies that made recommendations on how best to move forward. Working groups oversaw detailed projects that provided practical experience on how to pursue specific elements of the new recordkeeping regime envisioned. Those projects generated practical rapid results and set the stage for future initiatives, as did internal efforts to eliminate records in LAC's possession with no business or archival value and to explore more cost-effective records storage. While LAC made progress, it also learned an important lesson: the Government of Canada is ahead of other national governments in addressing this issue, which means there are few international lessons that LAC can simply adapt for Canadian use. Instead, LAC is going to have to create home-grown solutions that work for Government of Canada department and agencies, and therefore for Canadians.

LAC identified the following key commitments in the *Report on Plans and Priorities 2007–2008*.

1. Optimize the role of government record centres to support preservation and access

The Government Records Branch is in the process of re-engineering its regional program in order to contribute to the work of the Assistant Deputy Minister Task Force on Recordkeeping and improve access and capacity for records management and storage of Government of Canada records. Although it is still finalizing and implementing an Accessibility Strategy, it has accomplished the following:

> The branch has put in place an Integrated Regional Service Centre in two of its regions to provide a single cohesively administered entity. Building on a spirit of partnership and collaboration, the Integrated Regional Service Centre model seeks to re-balance activities and re-align resources to more effectively deliver LAC's mandate and to provide better access to government records in the regions. Capacity to respond to access requests and provision of faster service has been increased.

These two Centres are testing an approach that seeks to maximize efficiency and improve service through the integration of digitization into its access strategy. By exploring options to improve the delivery of Access to Information and Privacy (ATIP) services in the regional sites with archival records, this new service model seeks to increase the relevance and accessibility of the LAC collection and expertise to Canadians outside the National Capital Regions (NCR).

The Integrated Regional Service Centres will be the regional expression of corporate priority #2 to increase the relevance and accessibility of LAC collection and expertise to Canadians outside the NCR and in corporate priority #3 to develop effective recordkeeping within the regional offices of Government of Canada departments and agencies.

The healing power of records

Sometimes records resonate with the power to change lives. For the past 15 years Library and Archives Canada has provided access to the records of the Indian residential schools to all parties so that claims could be resolved. LAC is deeply committed to helping the Truth and Reconciliation Commission achieve its goals: to heal and reconcile the Indian residential schools legacy. LAC has actively sought out this role, by seeing itself as a vital and primary partner and stakeholder in working with the Commission. By doing so LAC will help raise awareness about the residential schools experience, and the records created and collected will form a unique source of information for that legacy.

2. Lead the development of an action plan arising from the ADM Roundtables and participate in its implementation

Recognizing the critical need to improve government recordkeeping, an ADM-level Task Force on Recordkeeping worked between January and September 2007 on a governance framework for recordkeeping and information management improvement, while five working groups analyzed specific issues. These efforts led to a proposal that Assessment Projects be undertaken in order to develop or test elements of the proposed new Government of Canada recordkeeping regime and to generate quick solutions that would offer immediate relief to particular recordkeeping and information management challenges.

LAC launched 15 assessment projects (http://www.collectionscanada.gc.ca/information-management/001/007001-5105-e.html) during 2007–2008, in collaboration with other federal departments and agencies, such as the development of a documentation standard for strategic policy research at Human Resources and Social Development Canada, as well as documentation standards for business activities at the Office of the Information Commissioner. The working groups carried out the 15 assessment projects with two fundamental purposes. To test the overall logic of a recordkeeping regime (RK) model and the robustness of the individual recordkeeping regime components that support it; and to help determine the cost, time, and effort necessary to implement required elements of the proposed model. In addition, the projects aimed to satisfy three needs: to develop a recordkeeping regime; to improve RK capacity within the Government of Canada; and to help agencies respond to the immediate problem posed by legacy records.

This work was all well advanced or near completion by the end of the fiscal year. The findings and results of these projects will set the stage for a second phase of documentation standards to be applied across government. These provide insights that confirm key directions for the new recordkeeping regime and provide guidance on operational issues.

3. Develop a methodology to enable departments to identify records of business value

LAC recognized that challenges posed by the sheer volume of records generated by Government of Canada departments and agencies require a much tighter focus on how best to identify records with business value for preservation. This can reduce storage costs by ensuring the destruction of records without value and make access to those of business value much simpler. To move in this direction, LAC committed to progress on the Accessibility Agenda, including the development of the methodology and documentation standard that departments need to make decisions on which records must be kept. (http://www.collectionscanada.gc.ca/information-management/001/007001-5105-e.html#c)

To move on this commitment, LAC implemented three pilot projects involving 18 departments and researched best practices, philosophies, strategies, methodologies, and criteria related to assigning value to records for the purpose of confirming their business status and managing their retention and disposal. LAC found that there are few best practices, strategies and methodologies in existence that are relevant to the Government of Canada environment. However, the pilot projects gave LAC the basis for a methodology and documentation standards to identify the business value in government records. LAC also saw that departments are enthusiastic about using the concept of business value as the basis of a coherent and accountable recordkeeping system.

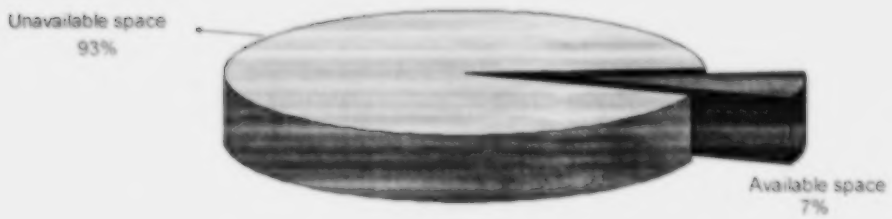
4. Begin the implementation of a new storage model for legacy records of the Government of Canada

The new storage model (http://www.collectionscanada.gc.ca/obj/007001/f2/007001-5105.12-e.pdf) is intended to bring more control over what is stored and reduces the backlog of records that would take up roughly 5,400 kilometres of shelf space while they await storage or destruction. During the year, LAC made progress towards a future storage model action plan by exploring solutions to the rising volume of paper records, including implementing a regional pilot project in the Quebec region which includes Québec and Montréal. LAC also completed consultations on the use of private records storage services for short-term storage. From these consultations LAC learned much more about the expectations of departments and agencies that use its services guiding the definition of LAC's storage model options.

As shown in figure 1, only seven percent of the space in the Preservation Centre is available for textual document representing approximately 4.5 kilometres of records. In 2007–2008, LAC acquired 4.7 kilometres of textual document. LAC managed the situation by implementing the Clearing the Path program.

Figure 1: Space left at LAC Preservation Centre in Gatineau

Available space for textual records

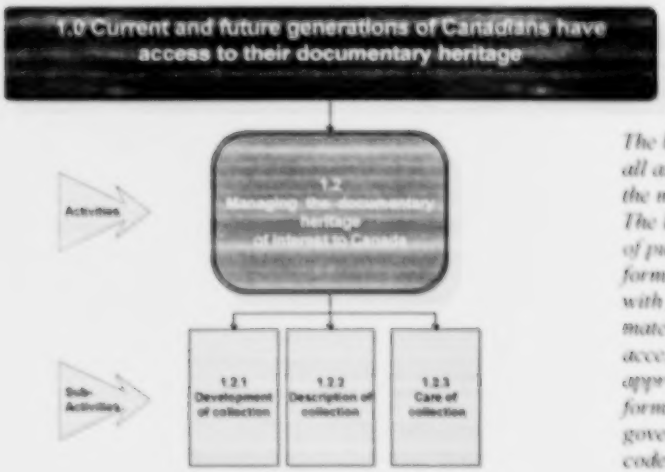


Source: Inventory Control and Accommodation Section, LAC

Clearing the Path

LAC began the Clearing the Path program to help government departments and agencies identify and dispose of records with no business or archival value. LAC's target for the first year was the identification of approximately 1.5 kilometres. In its first five months, the program identified more than five kilometres out of approximately 50 kilometres of non-archival records for disposal from LAC collection storage facilities, representing 10 percent of textual documents actually in LAC Preservation Centre vaults. This freed up valuable space and makes the truly archival records more accessible to all Canadians.

Program Activity 1.2: Managing the documentary heritage of interest to Canada.


1.0 Current and future generations of Canadians have access to their documentary heritage
Activities
1.2
Managing the documentary heritage of interest to Canada
Sub-Activities
1.2.1 Development of collection
1.2.2 Description of collection
1.2.3 Care of collection

The building of a national documentary resource for all aspects of the study of Canada is fundamental to the mandate of Library and Archives Canada (LAC). The Library and Archives Canada collection consists of published and unpublished materials in a variety of formats acquired through Legal Deposit, agreements with government institutions and selected private materials purchased or received by donation. To access the contents of collections, they must be appropriately described. Description can take many forms and provide various layers of access but is governed by nationally and internationally accepted codes of practice. At the same time, holdings are also described to meet Canadians' expectations for timely and equitable access. Once materials enter the LAC collection they are managed to ensure their long-term preservation and accessibility through policies, procedures and various programs including storage, conservation, and preservation and copying. To fulfill its role as a permanent repository of the government records and publications, Library and Archives Canada enters into agreements with government institutions to ensure that documents of historical and archival value are eventually transferred to LAC.

Financial Resources ($ thousands)

2007–2008		
Planned Spending	**Authorities**	**Actual Spending**
$96,632.8	$74,692.6	$68,910.9

Financial variances are detailed on pages 38 and 39.

Human Resources (FTEs)

2007–2008		
Planned	**Actual**	**Difference**
619	623	4

Overview

LAC devoted the vast majority of resources under this program activity to the ongoing work of building and caring for its collection. In 2007–2008 as in other years, LAC was proactive in seeking out high priority acquisitions in line with its collection framework. The acquisition of the second part of the Peter Winkworth Collection came from outside LAC's normal acquisition budget. LAC decided to dedicate a significant portion of its operating funds and to defer other acquisitions to acquire this very important collection. LAC partnered with the National Gallery of Canada which is also purchasing part of the Collection. LAC also acquired substantial amounts of publication and archival records through Legal Deposit, transfers, donations and purchases.

During 2007–2008, the strategic goals for this program activity reflected LAC's corporate commitment to adjust to the demands, and opportunities of the new digital information environment. LAC worked with partners across Canada to define a Canadian Digital Information Strategy that will eventually guide the capture and preservation of Canada's documentary heritage that is "born digital," such as websites or electronic publications. It will also lead to consistent approaches to digitizing documentary heritage that now exists only on paper or in media such as sound recordings or films. LAC invested in developing and implementing new technologies and processes to enable documents to be received digitally and integrated directly into its collection, ideally without the need for action by LAC staff. LAC achieved many expectations for the year but the development of a Trusted Digital Repository (TDR) highlights the dependency of technological development on business policies and procedures as well as organizational commitment and capacity. Therefore LAC will have to work at an accelerated pace to put those policies and procedures in place. There are also organizational challenges in key areas which are still being addressed.

Bringing the Winkworth Collection Home

For more than 50 years, Montréal-born Peter Winkworth collected works of art and artifacts relating to Canadian history. In March 2002, the former National Archives of Canada acquired more than 4,000 works of art from Mr. Winkworth, many of which LAC has since exhibited across Canada. In 2007, LAC acquired another significant portion of the collection, including some paintings, watercolours, drawings, prints, albums and sketchbooks, art publications, 19th century tourist guides and city brochures, sculptures, and artifacts like the wooden small-scale model for the Wolfe and Montcalm Monument in Québec.

LAC identified the following key commitments in the *Report on Plans and Priorities 2007–2008*.

1. Define a Canadian Digital Information Strategy

After a national summit held in 2006, LAC worked in collaboration with a pan-Canadian committee to develop the Canadian Digital Information Strategy. The Strategy focuses on ways

to strengthen production of digital information, ensure its preservation and facilitate access and use for Canadians. A draft strategy was made available for public and stakeholder review in October 2007 (www.collectionscanada.gc.ca/cdis). LAC is incorporating the comments received to modify and shape the Strategy further. As well, LAC explored how best to implement the Strategy through measures including increased digitization of Canadian documentary heritage; the definition of trusted digital preservation networks; and possible policy changes in the administration of Crown copyright, of orphaned works, and of access to public sector information and research.

Mass Digitization

During 2007–2008, LAC initiated the operation of a mass digitization program. LAC digitized more than 600,000 items such as city directories, early Canadian literature, maps, late 19th-century naturalization records, photographs related to Great Lakes shipping, and records of Sir John A. Macdonald. LAC also undertook and completed a special project in support of a major federally funded research project, in which almost 15 million images were digitized from microfilm. In addition to this program, work will be aimed at providing increased access by Canadians to their documentary heritage. In 2008–2009, the program will be extended to include newspapers, official publications such as *Hansard*, along with finding aids that are key research tools for LAC clients.

2. Begin development of Trusted Digital Repository services and network; and
3. Develop the "Virtual Loading Dock"

These two key commitments are linked deliverables in a larger strategy to acquire and preserve more of Canada's digital documentary heritage for Canadians. The Trusted Digital Repository (TDR) commitment is a multi-year process. The goal is that Canada will have a network of memory institutions, including LAC and other library and archival organizations, which will use consistent policies and standards as they receive, preserve and manage digital content, such as electronic publications and records. This will mean that Canadians will be able to gain easy access to that digital content, no matter where it was submitted and held in the first place. The Virtual Loading Dock (VLD) will allow publishers of digital material to provide it to LAC in automated ways, complete with all the descriptive information.

LAC completed or worked on the policies and standards approaches to oversee the acquisition, management, preservation and access of "born digital" content that TDRs would receive as well as items that LAC and other partners would convert to digital formats ("made digital"). This work has involved substantial collaboration with memory institutions and organizations such as Bibliothèque et Archives nationales du Québec, Alouette Canada, Archives Canada and Canadiana.org.

LAC achieved its projected VLD accomplishments for 2007–2008, such as enabling the legal deposit of electronic publications. LAC also worked to gain the participation of a few publishers in using the VLD and began work with Treasury Board Secretariat (TBS) on plans to transfer government archival electronic records from the TBS records management system to LAC beginning in 2008–2009. While LAC has made progress, there are technical challenges involving new infrastructure, standards, and methodologies and expertise that must be developed "on the job." LAC is also working with the development of performance indicators to measure satisfaction of clients who use the VLD and to establish benchmarks for factors such as the cost of processing.

4. Set up several projects to enable users to add information to LAC catalogues

One impact of the digital paradigm is that libraries and archives are increasingly becoming consumers, rather than producers, of metadata. Therefore, it is important for LAC to develop the means to enable people outside of the institution to contribute their knowledge about the diverse parts of its collection by supplying descriptive or other identifying information directly into its catalogues or websites. LAC began a user-contributed metadata pilot project that will be completed in 2008–2009. It will enable users to view on the LAC website digital photographs of 50,000 selected photographic negatives from the collection and to add their descriptions, comments and other useful information. This should enable other users to access this information to help find specific images of interest to them.

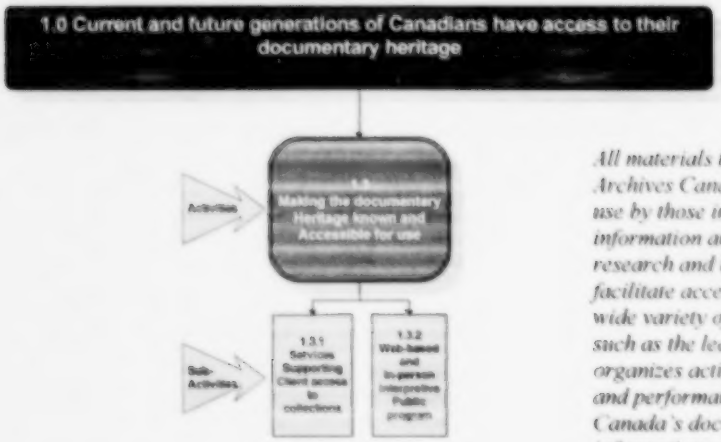
Canada's Documentary Heritage Gift to Australia

On September 11, 2007, Prime Minister Harper gave the people of Australia a historic treasure–the oldest, surviving document ever printed in Australia. The story behind the discovery of the playbill, printed in Sydney in 1796, demonstrates the expertise of LAC staff.

In 2007–2008, Rare Book Librarian Elaine Hoag was examining a 150-year-old scrapbook donated to LAC by the Library of Parliament in 1973 when she picked up the playbill for a July 30, 1796, production of the play *Jane Shore* in Sydney, Australia. The Librarian and Archivist of Canada soon contacted the National Library of Australia to report the discovery, while LAC preservation experts prepared the fragile playbill for its long journey home with Canada's Prime Minister.

The playbill is now on exhibition in the new Treasures Gallery of Australia's National Library.

Program Activity 1.3: Making the documentary heritage known and accessible for use.


1.0 Current and future generations of Canadians have access to their documentary heritage
Activities
1.3 Making the documentary Heritage known and Accessible for use
Sub-Activities
1.3.1 Services Supporting Client access to collections
1.3.2 Web-based and In-person interpretive Public program

All materials that become part of the Library and Archives Canada (LAC) collection are intended for use by those interested in Canada. LAC provides information and services including consultation, research and lending across multiple channels to facilitate access to the documentary heritage by a wide variety of clients. It also establishes activities, such as the learning program and encourages or organizes activities such as exhibitions, publications and performances, to make known and interpret Canada's documentary heritage. LAC also provides information resources and standards such as the national catalogue and supports the infrastructure necessary to ensure its accessibility to those interested in Canada and its heritage.

Financial Resources ($ thousands)

2007–2008		
Planned Spending	**Authorities**	**Actual Spending**
$43,049.0	$69,960.6	$39,957.1

Financial variances are detailed on pages 38 and 39.

Human Resources (FTEs)

2007–2008		
Planned	**Actual**	**Difference**
315	329	14

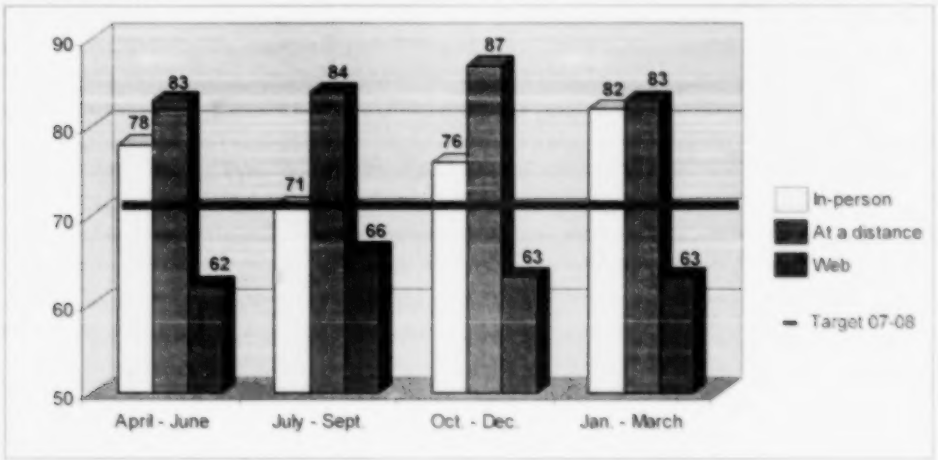
Overview

The ongoing work of this program activity focuses on making known LAC's collection to Canadians. LAC's key commitments under this program activity centred on re-aligning work to reflect the five corporate priorities as described in Section I of this Report.

Through a new Strategic Program Plan, LAC began to design its exhibitions and events using digital tools and online delivery to reach more Canadians than LAC can through in-person services. Key programs and services were aimed at clients such as educators and people interested in Canadian family histories, with new approaches such as LAC's participation in the CBC program *Who Do You Think You Are*, which reached 100,000 Canadians during its 13-week run. Initiatives such as the LAC Forum on Canadian Democracy drew on the institution's unique collection of historical items and a network of contributors to foster discussion and understanding today of Canada's democratic system. The Forum developed a full day of public programming in support of the Aboriginal Treaties exhibition *Spirit and Intent*, and promoted the exhibition online with photographs, links to related LAC resources and an essay written by one of the exhibition's curators, Dr. John Borrows.

Resources were shifted to make these new service investments possible. Some of this took place through an LAC Strategic Review exercise, which led to the closure of the Canadian Book Exchange Centre, as announced in Budget 2008. Some involved reduced in-person service hours in the National Capital Region. Client response to that decision (indicated in the second quarter decline in the "In-person" client satisfaction shown below) and LAC's commitment to use client research more in guiding service choices led to launching new client consultation mechanisms including the creation of a new Services Advisory Board that resulted in a decision to test possible service enhancements in 2008–2009. Even so, satisfaction rates for "In-person" and "At a Distance" inquiry services continued to exceed targets while rates are improving for those Web-based services.

Figure 2: Percentage of total number of external clients satisfied with the response to their inquiry



Source: Client comment cards and website survey

LAC identified the following key commitments in the *Report on Plans and Priorities 2007–2008*.

1. Integrate virtual and in-person planning and delivery of making known activities

In January 2006, LAC approved a Strategy for Public Programming. LAC followed this high-level strategy with a more detailed plan of action, the Strategic Program Plan (SPP), in 2007–2008. The Public Programming strategy sets out an approach that will see LAC use many channels to reach diverse audiences. Since the planning for "making known" events in 2007–2008 preceded the finalization of the SPP, those events only partially incorporated the new and more comprehensive approach which led to some lessons learned.

For example, all programming developed by the LAC Forum on Canadian Democracy, which was launched in November 2007, is being conceived to take full advantage of the relationship between live events and online venues. There were approximately 180 participants in total for two different events and both events subsequently were televised on CPAC.

The Learning Centre (http://www.collectionscanada.gc.ca/education/index-e.html) developed educational resources based on LAC's virtual exhibits that provide teachers and students with new lesson plans, classroom activities and digitized learning objects. It was complemented by on-site programming, such as research by more than 500 high school students into the military personnel files of soldiers of the First and Second World Wars, while other classes conducted similar research using LAC online resources and photocopies of files from its collection. http://www.collectionscanada.gc.ca/cenotaphresearch/index-e.html

LAC's main on-site exhibition for 2007–2008, *Spirit and Intent: Understanding Aboriginal Treaties* (http://www.collectionscanada.gc.ca/whats-on/treaties-exhibition/index-e.html), was complemented and extended through a companion display and a small virtual exhibition with links to LAC's Treaties and Surrenders Collection and other related resources, as well as the LAC Forum on Canadian Democracy (http://www.collectionscanada.gc.ca/democracy/index-e.html) programming. While *Spirit and Intent* was a success with visitors, particularly First Nations people, it would have had a much greater impact with the fuller range of approaches that LAC is making the standard for its future programming.

The Portrait Gallery of Canada (http://www.portraits.gc.ca/index-e.html) has integrated virtual and in-person planning of activities by offering online and on-site visitors the opportunity to experience the collection through exhibitions and interviews with artists and curators. LAC also launched a pilot program of behind-the-scenes vault tours of the Portrait Gallery of Canada program at the LAC Preservation Centre in the fall of 2007. Up to 15 people were admitted to each one of two tours that took place on eight consecutive Sundays. This initiative generated extremely positive public and media feedback. Its success led to offering vault tours on an ongoing basis for 2008–2009, for six weeks every quarter. http://www.portraits.gc.ca/009001-5023-e.html

2. Work with networks to enhance delivery of the Strategy for Public Programming and the Genealogy Strategy, and the Portrait Gallery Program's Travelling Exhibition

This commitment centred on increased use of partnerships and networking activities to reach Canadians, which was demonstrated across LAC programming. For example, the Learning Centre worked very closely with educators. This included collaboration with Canada's National History Society in its activities related to the Governor General's Award for Excellence in the Teaching of Canadian History and an annual poster design competition. LAC worked with Veterans Affairs Canada to develop specialized workshops for 68 students from across Canada during the Historica Encounters Week in November 2007.

The LAC Forum on Canadian Democracy exchanged information and ideas with partners in academic, cultural and government institutions. It receives guidance from a national advisory committee. The program was launched in late November 2007, so only two public events were held during the last fiscal year. Approximately 180 participants in total (90 per event), were received and both events subsequently were televised on CPAC. http://www.collections canada.gc.ca/democracy/023023-1000-e.html

LAC's Canadian Genealogy Strategy has engaged two major partners. LAC signed a significant partnership with The Generations Network, an American provider of genealogy websites, which has digitized records in partnership with memory institutions around the world. It will lead to the digitization of up to 12 million records, which will be freely available on the LAC website without cost to the Crown http://www.collectionscanada.gc.ca/genealogy/index-e.html. As per this agreement, 787 reels have been digitized in 2007–2008 for an estimated cost saving of $35,520 ($45/reel) for the institution. The collaboration with the Canadian Broadcasting Corporation on *Who Do You Think You Are* is noted later in this section.

For 2007–2008, the Portrait Gallery of Canada (PGC) initiated two new exhibition formats, in partnership with federal, municipal and private partners. *Portraits in the Street* placed five reproductions of items from the PGC collection on public buildings in Ottawa's ByWard Market. *Portraits on the Ice* involved the installation of 12 reproductions at a site along the Rideau Canal Skateway during the Winterlude festival. http://www.portraits.gc.ca/009001-2100.4-e.html

Opening the Door to Family History for Canadians

LAC's newly re-designed Canadian Genealogy Centre website combines thousands of immigration, military, public service, land and census records into a single search, as well as offering research advice and guidance. The website also contains two powerful new search tools. Ancestors Search (http://www.collectionscanada.gc.ca/genealogy/index-e.html), developed by LAC, combines 18 genealogical databases into one search. That's My Family, developed in partnership with LAC and the Bibliothèque et Archives nationales du Québec, which allows users to access a variety of genealogy and family history databases. It is supported by the Council of Provincial and Territorial Archivists of Canada. http://www.thatsmyfamily.info/

3. Develop and implement an institutional plan to follow up on multicultural consultations

In 2006–2007, LAC began consultations on how best to ensure that its collection reflects Canada's Aboriginal and multicultural heritage and to ensure that Canadians of all cultural backgrounds can find material of relevance to them. For 2007–2008, LAC committed to continue these discussions and move towards a plan that would respond to their findings and guidance. To do so, LAC conducted a survey on Aboriginal library and archive issues. LAC also finished and compiled the results of its consultations with multicultural communities, which identified resources on which LAC can draw http://www.collectionscanada.gc.ca/multicultural/005007-200-e.html#m. These efforts gave LAC the basis for the future development of its Aboriginal and multicultural collections.

A new home for the Portrait Gallery of Canada

On November 9, 2007, a Request for Proposals (RFP) was launched to locate the Portrait Gallery of Canada in one of the following cities: Halifax, Québec, Montréal, Ottawa-Gatineau (National Capital Region), Toronto, Winnipeg, Edmonton, Calgary, and Vancouver. The new exhibition and programming facility for the Portrait Gallery of Canada is anticipated to open in the spring of 2012. In the meantime, the Portrait Gallery of Canada continues to provide a full array of innovative programming and outreach and share its collection through virtual exhibitions, touring exhibits and curriculum development.

4. Develop a partnership policy and framework

LAC is regularly approached by potential partners and needs a consistent way to assess opportunities received and opportunities that LAC should seek out, as well as a way to manage partnerships consistently and strategically. During 2007–2008, LAC developed a draft plan that will be finalized for approval in 2008–2009. It aims to ensure accountability for LAC investments, and to guide communications with potential or confirmed partners. It will be complemented by procedures, guidelines and other operational tools. This work has drawn the attention of other federal departments and agencies with similar needs.

5. Initiate pilot projects to work in partnership on acquisition, preservation, access and/or making known projects, including creators, memory institutions or user groups as appropriate

As mentioned previously, LAC signed an exciting and immensely significant pilot partnership with The Generations Network, an American provider of genealogy websites that has digitized records in partnership with memory institutions around the world. This partnership will involve the digitization of up to 12 million LAC records without cost to the Crown and will be available on the LAC website without cost. http://www.collectionscanada.gc.ca/whats-new/013-331-e.html and http://www.collectionscanada.gc.ca/whats-new/013-293-e.html

In 2007–2008, a Services Advisory Board was formed and met twice to discuss public services. The Board will meet next year to continue the work done in 2007–2008. The Board brings together representatives of such user groups as genealogists, academic historians, researchers in aboriginal records, graduate students, and librarians. Following the Board's recommendations on hours of service, LAC will be piloting opening on Saturdays and simplified procedures of self-service. LAC also consulted the public on similar access issues at two public consultation sessions on February 26, 2007. http://www.collectionscanada.gc.ca/the-public/pcsab/index-e.html

The Portrait Gallery of Canada (PGC) completed the final development phase of their commissioning program in 2007–2008. The program will invite members of the public to submit their choices of subjects for portraits to include in the Gallery's collection. The subjects will be considered by an expert committee, with three subjects being chosen to have their portraits created. The program is being launched in May 2008, and will take place on a biennial basis.

In the late fall of 2007, the PGC opened a unique exhibition in collaboration with the Art Gallery of Ontario (AGO). *In Your Face* is the result of an invitation the AGO made to the general public to create small scale, two-dimensional portraits for display. The AGO received over 17,000 portraits in all media, from all over the world, and a small portion of those are on display at 395 Wellington, until September 1, 2008. Other partnerships have been initiated with other federal institutions and museums, including the Canadian Museum of Nature (Varley exhibition) and the Canadian Museum of Science and Technology (Karsh Festival).
http://www.portraits.gc.ca/index-e.html

LAC, through the Programs and Services Sector, maintains many partnerships with the private and public sector to ensure high-quality programs and services are delivered to Canadians. For example, LAC is currently working in partnership with the National Archives of Ireland www.census.nationalarchives.ie., the Canada Council of Archives, the Department of Canadian Heritage, the University of Ottawa www.socialsciences.uottawa.ca/api/eng/index.asp, and others to create, develop and maintain multi-channel programming for Canadians. In addition to these and other longer-term and continuing partnerships, LAC has developed several pilot projects to develop new and exciting programming http://www.portraits.gc.ca/index-e.html which will have broad reach and appeal across the country.

On October 2, 2007, Library and Archives Canada (LAC) launched a three-year, $3-million dollar Initiative to produce a strategy that would allow Canadians with print disabilities to have sustainable and equitable public library access. The Initiative for Equitable Library Access (IELA) will develop a strategy to meet the long-term public library and information access needs of Canadians with print disabilities, estimated at some three million people. LAC has begun enhancing the electronic clearinghouse that enables publishers to make their electronic files available quickly and securely to producers of multiple formats. The development of IELA will take place in consultation with a wide variety of stakeholders.

Who Do You Think You Are?

Who Do You Think You Are (http://www.cbc.ca/whodoyouthinkyouare/) was a 13-part documentary series featuring Canadian celebrities such as General Lewis Mackenzie, Don Cherry and Margaret Trudeau and their family histories. In partnership with the Canadian Broadcasting Corporation, Ancestry.ca, and the Bell Broadcast and New Media Fund, this major partnership initiative reached out to Canadians about history, genealogy and historical research.

The show introduced Canadians to the process of researching family history, and to LAC and its family history resources. The positive results were immediate —the night the first episode aired, 92,000 searches were launched on the Canadian Genealogy Centre (CGR) website before midnight, and during the last episode, there were 110,000. Use of the website has increased by 50 percent since the launch of the show.

Surveys found the series had direct and noticeable effects on clients who had watched it:
- Increased awareness about LAC genealogy resources, up from 28 to 35 percent
- 18 percent more clients in direct response
- 14 percent more clients did online research
- Time on the website increased from 16 to 22 minutes per session as the series progressed

6. Continue implementation of the National Archival Development Program

The National Archival Development Program (NADP) provides financial assistance to Canadian archives and related organizations to increase their capacity to preserve and make accessible archival materials about Canada and Canadians. As committed, LAC worked closely with the Canadian Council of Archives to implement new performance measures and implemented the necessary processes to track performance. LAC's experience has identified some improvements that will be addressed in 2008–2009 to better meet its information needs and the needs of the archival institutions that receive this support. An evaluation of NADP is available on the LAC website (http://www.collectionscanada.gc.ca/about-us/014/012014-208-e.html).

7. Test or pilot a mechanism to conduct client research

Feedback mechanisms were developed for LAC's public programming, including its Web-based programming, as well as new client research tools. During the year, LAC met its objectives in many ways. In support of its involvement in *Who Do You Think You Are*, described above, LAC monitored the increased activity on the Canadian Genealogy Centre website. LAC also contracted for telephone surveys of Canadians that indicated the impacts of the program on interest in LAC genealogy services and LAC's online resources.

Canada. Indian and Northern Affairs collection
Inuit packing up their belongings and loading gear in their sleds
PA-101188

Peter Winkworth Collection of Canadiana
View of Cape Diamond from Woodfield
C-150475

SECTION III: SUPPLEMENTARY INFORMATION

Departmental Link to Government of Canada Outcome Areas

Strategic Outcome: Current and future generations of Canadians have access to their documentary heritage				
	Actual Spending 2007–08 ($ thousands)			Alignment to Government of Canada Outcome Area
	Budgetary	Non-budgetary	Total	
1.1 Managing the disposition of the Government of Canada records of continuing value	13,588.0	0	13,588.0	A Vibrant Canadian Culture and Heritage
1.2 Managing the documentary heritage of interest to Canada	68,910.9	0	68,910.9	A Vibrant Canadian Culture and Heritage
1.3 Making the documentary heritage known and accessible for use	39,957.1	0	39,957.1	A Vibrant Canadian Culture and Heritage

Parliament has given Library and Archives Canada (LAC) a broad mandate to preserve Canada's documentary heritage, to be a source of knowledge accessible to all, to cooperate with related institutions, and to serve as the collective memory of the Government of Canada. Since the establishment as a single institution in 2004, LAC has organized its operations around the strategic outcome now set out in its program activity architecture, "Current and future generations of Canadians have access to their documentary heritage."

LAC has a mandate to collaborate with federal departments to ensure the effective management of government information. The legislation also sets out an explicit mandate to make Canada's documentary heritage known and accessible for use by Canadians and those interested in Canada. The LAC collection is one part of a national collection of cultural materials held by archives, libraries and museums across the country—and LAC is a partner to similar organizations around the world. Accordingly, LAC works with other institutions to provide access, to enable learning and to share its lessons and experiences as a knowledge institution.

Financial Information

Table 1: Comparison of Planned to Actual Spending (including FTEs)

($ thousands)	2005–2006 Actual	2006–2007 Actual	2007–2008			
			Main Estimates	Planned Spending	Total Authorities	Actual
1.1 Managing the disposition of the Government of Canada records of continuing value	12,315.0	10,881.0	10,472.0	16,078.1	15,299.2	13,588.0
1.2 Managing the documentary heritage of interest to Canada	68,554.0	65,102.0	67,500.0	96,632.8	74,692.6	68,910.9
1.3 Making the documentary heritage known and accessible for use	33,031.0	30,183.0	41,331.0	43,049.0	69,960.6	39,957.1
Total	**113,900.0**	**106,166.0**	**119,303.0**	**155,759.9**	**159,952.4**	**122,456.0**
Less: Non-respendable revenue	422.0	247.0	N/A	33.0	N/A	331.1
Plus: Cost of services received without charge	43,377.0	44,539.0	N/A	44,519.2	N/A	45,226.4
Total Departmental Spending	**156,855.0**	**150,458.0**	**119,303.0**	**200,246.1**	**159,952.4**	**167,351.3**
Full-time Equivalents	1,128	1,126.0	N/A	1,134	N/A	1 119

Financial variances are detailed on pages 38 and 39.

Explanation of variance: Total Authorities versus Total Spending

Summary

Authorities	159,952.4
Actuals	122,456.0
Variance	**37,496.4**

Program Activity	Amount ($ thousands)	Item	Comments
1.1 Managing the disposition of the Government of Canada records of continuing value	1,647.0	Increased workload due to of the implementation of the *Federal Accountability Act*	This amount has been carried forward to 2008/09, as the funding was received late in the fiscal year. As a result some activities are delayed to 2008/09.
1.2 Managing the documentary heritage of interest to Canada	7,600.0	Fit-up work for an Interim Collection Facility	$6.8M was frozen and has been re-profiled and $800K was lapsed. The Effective Project Approval submission to Treasury Board was postponed to June 2008. LAC expects construction work to refit the facility will begin in spring 2009 and to be completed in spring 2010, as set out in this deliverable. This would enable the transfer of holdings from existing locations into the retrofitted facility by fall 2010.
1.2 Managing the documentary heritage of interest to Canada	594.2	Construction of a Nitrate Preservation Facility	This amount has been lapsed. LAC finalized the Effective Project Approval submission for presentation to Treasury Board in November 2007. However, that TB submission presentation was postponed to May 2008 pending the outcomes of the Strategic Review exercise.
1.2 Managing the documentary heritage of interest to Canada	-1,647.0	Increased workload due to of the implementation of the *Federal Accountability Act*	Funding for the increased workload was requested and approved through Supplementary Estimates "B" and the funding was taken from Program Activity 1.2 frozen allotment.
1.3 Making the documentary heritage known and accessible for use	28,731.0	Portrait Gallery of Canada project	This amount has been reprofiled to 2008/09 until a decision is taken on this project.
TOTAL	**36,925.2 ***		

* This number does not correspond to overall variance since only major items are included in this table.

Explanation of variance: Total Planned versus Total Authorities

Summary

Planned	155,759.9
Authorities	159,952.4
Variance	-4,192.5

Program Activity	Amount ($ thousands)	Item	Comments
1.2 Managing the documentary heritage of interest to Canada	14,930.0	Fit-up work for an Interim Collection Facility	This amount was not accessed. The Effective Project Approval submission to Treasury Board was postponed to June 2008. LAC expects construction work to refit the facility to begin in spring 2009 and to be completed in spring 2010, as set out in this deliverable. This would enable the transfer of holdings from existing locations into the retrofitted facility by fall 2010.
1.2 Managing the documentary heritage of interest to Canada	12,945.8	Construction of a Nitrate Preservation Facility	This amount was not accessed. LAC finalized the Effective Project Approval submission for presentation to Treasury Board in November 2007. However, that TB submission presentation was postponed to May 2008 pending the outcomes of the Strategic Review exercise.
1.2 Managing the documentary heritage of interest to Canada	-1,647.0	Increased workload due to of the implementation of the *Federal Accountability Act*	Funding for the Federal Accountability Act was requested and approved through Supplementary Estimates "B" and the funding was taken from Program Activity 1.2 frozen allotment.
1.2 Managing the documentary heritage of interest to Canada	-5,285.0	AMICAN project to replace obsolete equipment.	This amount was not forecasted in the planned. Funding was received through Supplementary Estimates "A." The total amount received for AMICAN was $7.59 M, the balance is explained under program activity 1.3.
1.3 Making the documentary heritage known and accessible for use	1,000.0	Initiative for Equitable Library Access	This amount has been re-profiled in the TBS Fiscal Framework until 2010/11.
1.3 Making the documentary heritage known and accessible for use	-2,305.0	AMICAN project to replace obsolete equipment.	This amount was not forecasted in the planned. Funding was received through Supplementary Estimates "A." The total amount received for AMICAN was $7.59 M, the balance is explained under program activity 1.2.
1.3 Making the documentary heritage known and accessible for use	-23,162.0	Portrait Gallery of Canada project	This amount was not forecasted in the planned. It was a transfer from Public Works and Government Services Canada through Supplementary Estimates "A."
All Program Activities	1,921.0	Employee Benefit Program	EBP authorities were lower than planned.
All Program Activities through Corporate Allocation	-2,458.9	Vote 23 Transfer	This amount increased Library and Archives Canada's authorities, however was not forecasted in the planned.
TOTAL	-4,061.1 *		

* This number does not correspond to overall variance since only major items are included in this table.

Table 2: Voted and Statutory Items

Vote or Statutory Item	Truncated Vote or Statutory Wording	2007–2008 ($ thousands)			
		Main Estimates	Planned Spending	Total Authorities	Actual
50	Program expenditures	107,301.0	143,757.9	148,462.8	111,035.2
(S)	Contributions to employee benefit plans	12,002.0	12,002.0	11,331.7	11,331.7
(S)	Spending of proceeds from the disposal of surplus Crown Assets	-	-	157.9	89.1
	Total	**119,303.0**	**155,759.9**	**159,952.4**	**122,456.0**

Additional financial tables are available on Treasury Board Secretariat website:

- Sources of Respendable and Non-Respendable Revenue
- Use Fees
- Internal Audits and Evaluations

Library and Archives Canada follows and uses Treasury Board Secretariat travel policies.

Financial Statements of

LIBRARY AND ARCHIVES CANADA

BIBLIOTHÈQUE ET ARCHIVES CANADA

For the year ended
March 31st, 2008

LIBRARY AND ARCHIVES CANADA

Statement of Management Responsibility

Responsibility for the integrity and objectivity of the accompanying financial statements for the year ended March 31, 2008 and all information contained in these statements rests with departmental management. These financial statements have been prepared by management in accordance with Treasury Board accounting policies which are consistent with Canadian generally accepted accounting principles for the public sector.

Management is responsible for the integrity and objectivity of the information in these financial statements. Some of the information in the financial statements is based on management's best estimates and judgment and gives due consideration to materiality. To fulfil its accounting and reporting responsibilities, management maintains a set of accounts that provides a centralized record of the department's financial transactions. Financial information submitted to the Public Accounts of Canada and included in the department's Departmental Performance Report is consistent with these financial statements.

Management maintains a system of financial management and internal control designed to provide reasonable assurance that financial information is reliable, that assets are safeguarded and that transactions are in accordance with the Financial Administration Act, are executed in accordance with prescribed regulations, within Parliamentary authorities, and are properly recorded to maintain accountability of Government funds. Management also seeks to ensure the objectivity and integrity of data in its financial statements by careful selection, training and development of qualified staff, by organizational arrangements that provide appropriate divisions of responsibility, and by communication programs aimed at ensuring that regulations, policies, standards and managerial authorities are understood throughout the department.

The financial statements of the department have not been audited.

Ian E. Wilson
Librarian and Archivist of Canada
Gatineau, QC
Date: July 15th 2008

JUL 17 2008

Mark Mclanson, CGA
Senior Financial Officer
Gatineau, QC
Date: July 15th 2008

LIBRARY AND ARCHIVES CANADA
Statement of Financial Position (Unaudited)
For the Year Ended March 31

(in thousands of dollars)

	2008				2007
	Managing Documentary Heritage	Documentary Heritage Known and Accessible	Managing Disposal GOC Records	Total	Total
Transfer payments	37	2,906	-	2,943	2,192
Operating expenses					
Salary and employee benefits	48,463	26,140	10,977	85,580	80,064
Accomodation	21 441	14 789	3 741	39 971	39,414
Professional and special services	6,558	5,072	1,824	13,454	9,497
Utilities, materials and supplies	5,916	769	151	6,836	3,202
Communication services	1,541	1,688	309	3,538	2,048
Amortization of tangible capital assets (note 5)	1,837	1,290	153	3,280	3,344
Repair and maintenance	1,674	1,202	288	3,164	3,992
Acquisition of machinery and equipment	1,391	824	271	2,486	1,725
Rental costs	470	1,434	108	2,012	1,749
Travel	721	522	310	1,553	1,389
Other	260	183	95	538	580
Loss on disposal and write-down of tangible assets	34	11	2	47	1,039
Total operating expenses	90,306	53,924	18,229	162,459	148,043
Total expenses	90,343	56,830	18,229	165,402	150,235
Revenues					
Sales of goods and information products	-	429	-	429	388
Other	31	50	5	86	66
Gain on disposal of non-capital assets	35	23	6	64	110
Total revenues	66	502	11	579	564
Net cost of operations	90,277	56,328	18,218	164,823	149,671

The accompanying notes are an integral part of the financial statements.

Assets

	2008	2007
Financial Assets		
Accounts receivable and advances (note 4)	**1,901**	985
Total Financial Assets	***1,901***	985
Non-Financial Assets		
Prepaid expenses	**-**	18
Tangible capital assets (note 5)	**34,148**	28,558
Collections (note 6)	**1**	1
Total Non-Financial Assets	***34,149***	28,577
	-	
TOTAL	**36,050**	29,562

Liabilities and Equity of Canada

	2008	2007
Liabilities		
Accounts payable and accrued liabilities	**16,000**	9,108
Vacation pay and compensatory leave	**6,696**	6,876
Deferred revenue (note 7)	**696**	829
Employee severance benefits (note 8)	**16,464**	13,239
	39,856	30,052
Equity of Canada	**(3,806)**	(490)
TOTAL	**36,050**	29,562

	2008	2007
Equity of Canada, beginning of year	**(490)**	(4,362)
Net cost of operations	**(164,823)**	(149,671)
Current year appropriations used (note 3)	**122,456**	106,166
Revenue not available for spending (note 3)	**(137)**	(147)
Change in net position in the Consolidated Revenue Fund (note 3)	**(6,038)**	2,985
Services received without charge from other government departments (note 9)	**45,226**	44,539
Equity of Canada, end of year	**(3,806)**	(490)

The accompanying notes are an integral part of the financial statements.

	2008	2007
Operating activities		
Net costs of operations	**164,823**	149,671
Non-cash items		
Amortization of tangible capital assets	**(3,280)**	(3,344)
Loss on disposal and write-down of tangible capital assets	**(47)**	(1,039)
Services provided without charge from other government department (note 9)	**(45,226)**	(44,539)
Variations in Statement of Financial Position		
Increase in accounts receivable and advances	**916**	227
Decrease in prepaid expenses	**(18)**	(48)
Increase in liabilities	**(9,804)**	3,250
Cash used by operating activities	**107,364**	104,178
Investment activities		
Acquisitions of tangible capital assets (note 5)	**8,933**	4,826
Proceeds from disposal of tangible capital assets	**(16)**	-
Cash used by investment activities	**8,917**	4,826
Financing activities		
Net cash provided by Government of Canada (note 3)	**(116,281)**	(109,004)

The accompanying notes are an integral part of the financial statements.

LIBRARY AND ARCHIVES CANADA
Notes to the Financial Statements (Unaudited)
For the Year Ended March 31

1. Authority and objectives

Library and Archives Canada is a department within the Government of Canada and was established on May 24, 2004 as a result of the amalgamation of the former National Library of Canada and National Archives of Canada. Library and Archives Canada's role was confirmed in the 2004 *Library and Archives of Canada Act*. The Act assigns discretionary power to the Librarian and Archivist of Canada in the attainment of Library and Archives Canada's objects. Under the Act, no record under the control of a government or ministerial institution may be destroyed prior to receiving consent from the Librarian and Archivist of Canada and those records considered to be of historic or archival importance to the Librarian and Archivist of Canada, shall be transferred to the care and control of the Librarian and Archivist of Canada.

Library and Archives Canada is considered a Schedule I.1 organization within the Financial Administration Act and reports to Parliament through the Minister of Canadian Heritage.

The mandate of Library and Archives Canada is to preserve the documentary heritage of Canada for the benefit of present and future generations, to serve as a source of enduring knowledge accessible to all, contributing to the cultural, social and economic advancement of Canada as a free and democratic society, to facilitate in Canada cooperation among the communities involved in the acquisition, preservation and diffusion of knowledge, and to serve as the continuing memory of the Government of Canada and its institutions.

The Documentary Heritage Collection Sector ensures that Canada's documentary heritage is collected, safeguarded and organized for current and future use. Its functions are the development, organization, and care of the collections. All collections will be developed, managed and preserved under the auspices of the Documentary Heritage Collection Sector. The Programs and Services Sector increases awareness of, access to, and use and understanding of, Canada's documentary heritage. Its two functions are delivery of services in response to client demand of all types and via all channels; and delivery of programs to promote knowledge and understanding of Canada's documentary heritage. The former is responsive to demand; the latter is proactive, anticipating the information needs of Canadians. Combined, they are the important means through which Library and Archives Canada delivers its mandate to make known Canada's documentary heritage. The Corporate Management and Government Records Sector supports federal institutions in the management of information and sound recordkeeping. Its primary functions include IM Strategies, IM Solutions, and IM Services.

2. Summary of significant accounting policies

The financial statements have been prepared in accordance with Treasury Board accounting policies which are consistent with Canadian generally accepted accounting principles for the public sector.

Significant accounting policies are as follows:

(a) Parliamentary appropriations
Library and Archives Canada is financed by the Government of Canada through Parliamentary appropriations. Appropriations provided to Library and Archives Canada do not parallel financial reporting according to generally accepted accounting principles since appropriations are primarily based on cash flow requirements. Consequently, items recognized in the statement of operations and the statement of financial position are not necessarily the same as those provided through appropriations for Parliament. Note 3 provides a high-level reconciliation between the two bases of reporting.

(b) Net Cash Provided by Government
Library and Archives Canada operates within the Consolidated Revenue Fund (CRF). The CRF is administered by the Receiver General for Canada. All cash received by Library and Archives Canada is deposited to the CRF and all cash disbursements made by Library and Archives Canada are paid from the CRF. Net cash provided by Government is the difference between all cash receipts and all cash disbursements including transactions between departments of the federal government.

(c) Change in net position in the Consolidated Revenue Fund
Change in net position in the Consolidated Revenue Fund is the difference between the net cash provided by Government and appropriations used in a year, excluding the amount of non respendable revenue recorded by the department. It results from timing differences between when a transaction affects appropriations and when it is processed through the CRF.

(d) Revenues
i) Sales of goods and information products are revenues from regulatory fees and are recognized in the accounts based on the services provided in the year.

ii) Funds received from external parties for specified purposes are recorded upon receipt as deferred revenues. These revenues are recognized in the period in which the related expenses are incurred.

iii) Other revenues are accounted for in the period in which the underlying transaction or event occurred that gave rise to the revenues.

2. Summary of significant accounting policies (cont'd)

(e) Expenses – Expenses are recorded on the accrual basis:

i) Grants are recognized in the year in which the conditions for payment are met. In the case of grants which do not form part of an existing program, the expense is recognized when the Government announces a decision to make a non-recurring transfer, provided the enabling legislation or authorization for payment receives parliamentary approval prior to the completion of the financial statements.

ii) Contributions are recognized in the year in which the recipient has met the eligibility criteria or fulfilled the terms of a contractual transfer agreement.

iii) Vacation pay and compensatory leave are expensed as the benefits accrue to employees under their respective terms of employment.

iv) Services provided without charge by other government departments for accommodation, the employer's contribution to the health and dental insurance plans, employee compensation payments and legal services are recorded as operating expenses at their estimated cost.

(f) Employee future benefits

i) Pension benefits: Eligible employees participate in the Public Service Pension Plan, a multi-employer plan administered by the Government of Canada. Library and Archives Canada's contributions to the Plan are charged to expenses in the year incurred and represent the total departmental obligation to the Plan. Current legislation does not require Library and Archives Canada to make contributions for any actuarial deficiencies of the Plan.

ii) Severance benefits: Employees are entitled to severance benefits under labour contracts or conditions of employment. These benefits are accrued as employees render the services necessary to earn them. The obligation relating to the benefits earned by employees is calculated using information derived from the results of the actuarially determined liability for employee severance benefits for the Government as a whole.

(g) Accounts receivables and advances

Accounts receivables and advances are stated at amounts expected to be ultimately realized; a provision is made for receivables where recovery is considered uncertain.

(h) Tangible capital assets

All tangible capital assets having an initial cost of $10,000 or more are recorded at their acquisition cost. Software under development is transferred to proper account once in-service and amortized accordingly. The department does not capitalize intangibles, works of art and historical treasures that have cultural, aesthetic or historical value.

In Fiscal Year 2006-07, Library and Archives Canada raised its threshold for determination of capital assets from $3,500 to $10,000.

Amortization is done on a straight-line basis over the estimated useful lives of the assets as follows:

Asset Class	Amortization Period
Machinery and equipment	5-15 years
Informatics hardware	3-10 years
Informatics purchased and developed software	2-7 years
Other equipment, including furniture	5-10 years
Motor vehicles	3-15 years

(i) Collections

The collections of Library and Archives Canada are presented on the Statement of Financial Position at a nominal value of $1,000. Items purchased for the collections are recorded as an expense in the year of acquisition. Items collected from the Federal government are not recorded on the Statement of Financial Position.

(j) Measurement uncertainty

The preparation of these financial statements, in accordance with Treasury Board accounting policies which are consistent with Canadian generally accepted accounting principles for the public sector, requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses reported in the financial statements. At the time of preparation of these statements, management believes the estimates and assumptions to be reasonable. The most significant items where estimates are used are the liability for employee severance benefits and the useful life of tangible capital assets. Actual results could significantly differ from those estimated. Management's estimates are reviewed periodically and, as adjustments become necessary, they are recorded in the financial statements in the year they become known.

3. Parliamentary appropriations

Library and Archives Canada receives most of its funding through annual Parliamentary appropriations. Items recognized in the statement of operations and the statement of financial position in one year may be funded through Parliamentary appropriations in prior, current or future years. Accordingly, Library and Archives Canada has different net results of operations for the year on a government funding basis than on an accrual accounting basis. The differences between net results of operations and appropriations are reconciled in the following tables:

(a) Reconciliation of net cost of operations to current year appropriations used

	2008	2007
	(in thousands of dollars)	
Net cost of operations	**144,823**	
Adjustments for items affecting net cost of operations but not affecting appropriations:		
Add (less):		
Services provided without charge	(45,226)	
Amortization of tangible capital assets	(3,296)	
Employee severance benefits	(3,225)	
Vacation pay and compensatory leave	(36)	
Reversal of previous year expenses	178	
Revenue not available for spending	137	
Loss on disposal and write-down of tangible capital assets	(47)	
Other	(35)	
	(51,502)	
Adjustments for items not affecting net cost of operations but affecting appropriations:		
Add (less):		
Acquisition of tangible capital assets	8,935	
Change in prepaid expenses	-	
Accounts receivable advances	2	
	8,935	
Current year appropriations used	**122,456**	

(b) Appropriations provided and used

	2008	2007
	(in thousands of dollars)	
Operating expenditures - Vote 45	149,463	
Statutory amounts	11,490	
Appropriations available for use	159,953	
Less:		
Lapsed appropriations: operating	(2,906)	
Lapsed appropriations: Frozen allowances	(34,478)	
Total lapsed	(37,428)	
Appropriations available for future years	(69)	
Refunds of amounts credited to revenues in previous years	-	
Current year appropriations used	**122,456**	

(c) Reconciliation of net cash provided by Government to current year appropriations used

	2008	2007
	(in thousands of dollars)	
Net cash provided by Government	116,291	
Revenue not available for spending	137	
Change in net position in the Consolidated Revenue Fund:		
Variation in accounts receivable and advances	(906)	
Variation in accounts payable and accrued liabilities	6,952	
Variation in deferred revenue	(153)	
Other adjustments	105	
	6,038	
Current year appropriations used	**122,456**	

4. Accounts receivable and advances

The following table presents details of accounts receivable and advances

	2008	2007
Receivable from other Federal government Departments and agencies		
Receivable from external parties		
Employee advances		
Total		

5. Tangible capital assets

Cost	Opening Balance	Acquisitions	Reclassification of Assets	Disposals and write-offs	Closing Balance
Machinery and equipment					
Informatics hardware					
Informatics purchased and developed software					
Other equipment					
Motor vehicles					
Software under development					

Accumulated amortization	Opening Balance	Amortization	Reclassification of Assets	Disposals and write-offs	Closing Balance
Machinery and equipment					
Informatics hardware					
Informatics purchased and developed software					
Other equipment					
Motor vehicles					

Net book value	2008	2007
Machinery and equipment		
Informatics hardware		
Informatics purchased and developed software		
Other equipment		
Motor vehicles		
Software under development		

Amortization expense for the year ended March 31, 2008 is $1,280 ($1,244 in 2007).

6. Collections

Library and Archives Canada preserves the collective memory of the nation and of the Government of Canada and contributes to the protection of rights and the enhancement of a sense of national identity.

While the nominal valuation attributed to the collection in these Financial Statements is aligned with Canadian Public Sector reporting standards, this is not representative of the historical or market value of the collection. Although not capitalized like other assets such as buildings or equipment, these irreplaceable treasures have inestimable legal, evidentiary, cultural and, indeed, monetary value for Canadians now and for generations to come. These include documentary material transferred at no charge from government departments, publications received through Legal Deposit, materials purchased and donated materials for which tax receipts may have been issued.

7. Deferred revenue

Deferred revenue represents the balance at year-end of unearned revenue stemming from donations. Some of these donations are restricted for specific purposes. Revenue is recognized each year in the amount of expenses incurred for the purposes for which the donations were received.

	2008	2007
Balance, beginning of year	829	832
Add: amount received from external organizations	991	1,177
Less: revenues recognized in the year	(1,124)	(1,180)
Balance, end of year	696	829

8. Employee benefits

a) Pension benefits: Library and Archives Canada's employees participate in the Public Service Pension Plan, which is sponsored and administered by the Government of Canada. Pension benefits accrue up to a maximum period of 35 years at a rate of 2 percent per year of pensionable service, times the average of the best five consecutive years of earnings. The benefits are integrated with Canada/Quebec Pension Plans benefits and they are indexed to inflation.

Both the employees and Library and Archives Canada contribute to the cost of the Plan. The 2007-08 expense amounts to $8,260,795 ($8,148,649 in 2006-07), which represents approximately 2.1 (2.2 in 2006-07) time the contributions by employees.

Library and Archives Canada's responsibility with regard to the Plan is limited to its contributions. Actuarial surpluses or deficiencies are recognized in the financial statements of the Government of Canada, as the Plan's sponsor.

(b) Severance benefits: Library and Archives Canada provides severance benefits to its employees based on eligibility, years of service and final salary. These severance benefits are not pre-funded. Benefits will be paid from future appropriations. Information about the severance benefits, measured as at March 31, is as follows:

	2008	2007
Accrued benefit obligation, beginning of year	13,239	13,042
Expense for the year	4,742	915
Benefits paid during the year	(1,517)	(718)
Accrued benefit obligation, end of year	16,464	13,239

9. Related party transactions

Library and Archives Canada is related as a result of common ownership to all Government of Canada departments, agencies, and Crown corporations. Library and Archives Canada enters into transactions with these entities in the normal course of business and on normal trade terms. Also, during the year, Library and Archives Canada received services which were obtained without charge from other Government departments as presented in part (a).

(a) Services provided without charge to Library and Archives Canada:
During the year Library and Archives Canada received without charge from other departments, accommodation, legal fees, employee compensation benefits and the employer's contribution to the health and dental insurance plans. These services without charge have been recognized in Library and Archives Canada's Statement of Operations as follows:

(in thousands of dollars)	2008	2007
Accommodations	39,971	39,414
Employer Contribution to Health and Dental Insurance	5,172	5,066
Workers' compensation payments	70	55
Legal services	13	4
	45,226	44,539

The Government has structured some of its administrative activities for efficiency and cost-effectiveness purposes so that one department performs these on behalf of all without charge. The costs of these services, which include payroll and cheque issuance services provided by Public Works and Government Services Canada (PWGSC) and audit services provided by the Office of the Auditor General, are not included as an expense in Library and Archives Canada's Statement of Operations. Similarly, Library and Archives Canada provides certain storage and reference services without charge to other Government of Canada departments, agencies and Crown corporations.

(b) Payables outstanding at year-end with related parties:

(in thousands of dollars)	2008	2007
Accounts receivable with other government departments and agencies	1,195	675
Accounts payable to other government departments and agencies	1,102	876

(c) Administration of programs on behalf of other government departments

Since February 2008, Library and Archives Canada coordinates and manages the funds obtain by the Council of the Network of Official Languages Champions (CNOLC). The Council is funded according to voluntary contributions from departments and agencies. In 2007-2008, the Council received $84,382.31 in contribution from which $79,382.31 was spent and thus, $5,000 ($17,500 in 2006-2007) was transferred to the Treasury Board at year end.

Since May 2006, Library and Archives Canada coordinates and manages the funds obtain for the networks of small federal agencies. The network is funded through contributions from all agencies to the cost sharing. The expenses are the disbursements made on behalf of the group. In 2007-2008, the network received $352,748.82 ($370,000 in 2006-2007) and the total amount was spent ($338,000 in 2006-2007).

SECTION IV: OTHER ITEMS OF INTEREST

Library and Archives Canada's Corporate Management

In the context of improving its performance as measured through the Management Accountability Framework and to meet government-wide commitments, LAC made a series of commitments for 2007–2008.

Key Commitment—Improve the quality of LAC performance indicators

In 2007, LAC reviewed its Program Activity Architecture and then revised its performance measurement framework in line with the new PAA and the needs of LAC management. Related to this, a working group representing one LAC sector (programs and services sector) developed indicators and discussed data collection processes, target-setting and implementation issues as a starting point for the organization. Initial reporting began for that sector in June 2007. LAC's other sectors have set targets for 2008–2009.

Key Commitment—Improve risk management as part of LAC business planning

A new LAC risk profile document supported the 2007–2008 resource allocation process and was an integral influence in the development of the *LAC 2008–2011 Business Plan*. It also guided decision making when LAC management made choices among worthy projects to be supported through the internal Innovation Fund. For instance, the Clearing the path program increased the accessibility of government records by disposing of five kilometres of non-archival records. This project also produced a beneficial impact on accommodation, as well as on LAC's reputation and credibility, by providing extra space for records of important value for Canadians.

Risk management emerged as an important factor for other LAC initiatives during 2007–2008. For example, LAC planning and budgeting processes as well as internal audit and evaluation priority setting drew on risk management tools and thinking. The LAC Human Resource Committee evaluated risks as part of developing the three-year human resources strategic plan. These efforts have been complemented by training for managers and planners on assessing risk in planning efforts and the development of risk profiles for its operational sectors.

Secure Canada's documentary heritage

Library and Archives Canada ensures that Canada's documentary heritage is well protected for future generations of Canadians to enjoy by investing in improvements to upgrade security systems and measures intended to protect collections and individuals who work or visit its facilities.

Library and Archives Canada also has a program in place to ensure the continued delivery of key departmental services and activities following a disruption. In order to prevent disasters and minimize damages following incidents, a disaster control organization is also in place to respond to threats to the health of the collection. There are also mechanisms in place for the security of the collection. Procedures are in place to grant access to the vaults based on operational needs, security clearance of individuals and the security requirements of the collections in the vault.

Key Commitment—Improved leadership on values and ethics, with attention paid to risks and potential vulnerabilities

LAC has built the structure and processes necessary to ensure clear communication and follow-up with employees on values and ethics issues. A senior officer for values and ethics was appointed to make regular presentations to new employees on integrating values and ethics into all aspects of life and work in the public service. LAC executives have been actively encouraged to create a climate in their own groups that supports employee discussion of values and ethics issues.

The last Public Service Employee Survey demonstrated to the LAC management team that most risks linked to values and ethics within LAC relate to human relations matters such as issues surrounding conflict and harassment. As part of its response, an ADM-level champion was named, who then consulted LAC staff and the senior officer for values and ethics. This led to the development and delivery of training sessions on conflict resolution and harassment awareness that are mandatory for all staff, including all senior executives. LAC believes it has strengthened the climate of trust, as demonstrated by the increase in the number of enquiries submitted to the senior officer and positive employee reactions to initiatives.

Key Commitment—A greater emphasis on attaining a workforce that is representative of Canadian society

LAC recognizes the importance of renewing its workforce with a clear emphasis on reflecting Canada's diversity. Employment equity is emphasized in the performance agreements of LAC executives and a meeting was held at the start of the budget planning exercise to reinforce its importance.

Following a workforce analysis that was finalized in April 2007, LAC drafted an employment equity plan. HR then consulted widely on that draft with unions, the LAC Employment Equity and Diversity Committee and the Human Resources Committee. The finalized plan was presented to the Managers Forum, to underline the role that LAC expects those managers to play in achieving the goals of the plan. The plan has been posted on the LAC intranet and is being distributed to all LAC staff.

LAC also launched a study of its employment policies and practices (Employment Systems Review). This should help to identify systemic barriers facing members of designated groups that will need to be addressed during 2008–2009. LAC's other efforts during the past year have enabled it to reduce under-representation gaps of women within the executive, scientific and professional and administrative support categories.

Key Commitment—Development of a Management, Resources and Results Structure (MRRS) performance measurement framework

In the autumn of 2007 and after substantial consultation and validation, LAC developed its Management, Resources and Results Structure (MRRS) performance measurement framework.

LAC now has indicators for performance measurement that will enable the institution to measure expected results, with data collection to begin on April 1, 2008.

Real Property Infrastructure

Key Commitment—Work will begin on relocating the cellulose nitrate-based documentary heritage to a new, state-of-the-art preservation facility.

During 2007–2008, LAC completed the design and substantive cost estimates for the construction of the preservation facility that is needed to house Canada's cellulose-nitrate based documentary heritage. LAC finalized the Effective Project Approval submission.

Key Commitment—To begin refitting an interim facility which will allow the relocation and consolidation of collections presently housed in sub-standard facilities.

Planning and development of substantive cost estimates to refit the facility with high density shelving are being finalized. The proposed shelving system will maximize the capacity of the facility, and increases the efficiency of the capital investment.

LAC expects construction work to refit the facility will begin in spring 2009 and will be completed in spring 2010, as set out in this deliverable. This would enable the transfer of holdings from existing locations into the retrofitted facility by fall 2010.

Key Commitment—Pursuing discussions with LAC partners towards expanding long-term preservation infrastructure.

LAC is presently working on the long-term strategy for additional preservation capacity necessary to safeguard Canada's documentary heritage and to manage vital government records over the long term. Discussions with other government agencies began in 2007–2008 with many discussions, planning and strategy development to take place in 2008–2009.

The commitment to appropriate preservation infrastructure extends to the information technology infrastructure needed to support all facets of a collection that is increasingly "born digital," or that needs to be digitized to be made widely-accessible, or that needs to be supported with digital tools to make that accessibility a reality for Canadians and people interested in Canada around the world.

A key step in this direction was LAC's continuing commitment to create AMICAN, a system to support the information related to the intellectual and physical management of and access to its holdings. The project includes the development of a system to manage client contact information (both external and internal) in order to support LAC business practices. It also includes the development of public interfaces and mechanisms for improving public access to online content and services, including a tool that enables an integrated search across LAC resources.

In 2007–08, AMICAN introduced a federated search function, "Ancestors Search," enabling clients interested in family history to access names indexed in 17 separate databases. AMICAN also implemented a new physical control system at the Ottawa and Winnipeg Regional Service Centres. The system will be implemented at all the Centres over time. It is based on the circulation and physical control system currently being developed for archival records that will be implemented in early 2008–2009. The implementation at the Centres included the introduction of the system to manage client contact information. These implementations are a significant advancement in establishing common corporate systems to manage data regarding LAC's holdings and its clients. Additionally, work advanced on a complicated migration of data needed to support the implementation of the new circulation and physical control system for archival records. Work on all other modules of AMICAN continued. It is anticipated that the entire project will be completed in 2010.

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